## CONFIDENTIAL

3 June 1953

MEMORALHUM FOR: Director of Contral Intelligence

TERONOH

: Deputy Director/Intelligence

SUBJECT

: Recommendation on HSC 152

1. Decument NSC 152 prepared by the Planning Board for Council consideration provides a clear statement of current US policy in the field of economic defense. The effects of measures applied by the US Government and other Western Governments in restricting trade with the Soviet Bloc are concisely analyzed in terms of impact on Soviet Bloc economic problems created for our Allies, and public opinion reaction both here and abroad.

- Nest trade would have only short-term adverse effects on the Seviet economy, would create serious economic problems for our Allies, which might require increased foreign aid, would be generally supported by US opinion, and would not be received favorably by our Allies.
- 3. Both the basic statement of the current situation as well as the analysis of the probable results of each of the alternative actions submitted for consideration, insofar as they relate to the economic effects on the Soviet Bloc, reflect the views held by OFF based on available intelligence. Stated probable economic results of cessation of Fast-West trade are in complete agreement with the oppointions of NIE-59.

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OTTO E. COTHE Assistant Director Research and Reports

OAD/RR OBOuthe/bh

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